

MISSISSIPPI DIVISION OF MEDICAID

Eligibility Policy and Procedures Manual

CHAPTER 200 – Income: Aged, Blind and Disabled (ABD) Categories

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200.07.09K REDUCTION IN VA PENSION FOR VETERANS AND SURVIVING SPOUSES IN NURSING HOMES

Federal law limits the maximum pension that can be paid to or for veterans, who have neither a spouse nor a child, or surviving spouses (widows or widowers) without children who are covered by Medicaid for services furnished by a nursing facility to \$90. The maximum is \$90; therefore, the reduced pension payment may be less than \$90. The reduced pension of \$90 or less is VA Aid and Attendance in all cases, and is not income for eligibility purposes.

Since Federal law prohibits counting the reduced pension toward the veteran's cost of care (Medicaid Income), the Personal Needs Allowance (PNA) for all clients receiving a reduced pension is equal to the pension payment received. This is discussed further in the budgeting section.

Single veterans and surviving spouses of veterans (with no dependents) in nursing homes who become Medicaid-eligible must be referred to VA to determine if their VA pension is subject to the \$90 limit. The worker must set appropriate ticklers to check with VA to determine the case action needed.

\$90 VA Reduced Pension and Income Trust Cases

When a client who is eligible for long term care nursing home coverage under an Income Trust becomes entitled to the \$90 reduced pension and the client continues to need the Income Trust to remain eligible, do not count the \$90 as income to the Income Trust client.

The \$90 reduced pension is entered into MEDS as VA Reduced Pension and the remaining income of the client (which should continue to be \$1 less than the Institutional Income limit) is shown as Trust Income. The client will correctly receive the \$90 PNA in the Medicaid Income computation. A new Income Trust Detail Sheet is required to show the \$90 PNA.